

**TEACHER RETIREMENT SYSTEM OF TEXAS MEETING
BOARD OF TRUSTEES**

AGENDA

November 19, 2015 – 10:30 a.m.

November 20, 2015 – 8:30 a.m.

TRS East Building, 5th Floor, Boardroom

*All or part of the November 19-20, 2015 meeting of the TRS Board of Trustees may be held by telephone conference call as authorized under Texas Government Code Section 551.130. The Board intends to have a quorum physically present at the following location: **1000 Red River Austin, Texas 78701 in the TRS East Building, 5th Floor, Boardroom.***

The Board may take up the items posted on its agenda in any order at its meeting on Thursday, November 19, 2015 or during the meeting on the following day beginning at the time and place specified on this agenda.

The open portions of the November 19-20, 2015 Board meeting are being broadcast over the Internet. Access to the Internet broadcast of the Board meeting is provided on TRS' website at www.trs.state.tx.us.

1. Call roll of Board members and recognize any newly appointed or reappointed member.
2. Consider the following administrative matters – David Kelly:
 - A. Approval of the proposed October 22, 2015 Board meeting minutes.
 - B. Consider the election of the Board Vice-Chair.
 - C. Consider consenting to the Board Chair's appointment of committee members and receive the Board Chair's public announcement of committee chairs.
 - D. Setting, rescheduling, or canceling future Board meetings.
3. Provide opportunity for public comments – David Kelly.
4. Discuss and consider the following investment matters:
 - A. Discussion on Federal Reserve actions – Michael Feroli, JP Morgan.
 - B. Second Quarter 2015 Performance Review – Steve Voss and Mike Comstock, Aon Hewitt.
 - C. Strategic Partnership Update – Michael Pia.

NOTE: *The Board meeting likely will recess after the last item above to conduct committee meetings and will resume later in the day upon adjournment of the committee meetings to take up the items listed below.*

5. Review and discuss the Executive Director's report on the following matters – Brian Guthrie:
 - A. Administrative operational matters, including updates on financial, audit, legal, staff services, and board administration activities; special projects; long-term space planning; and strategic planning.
 - B. Board operational matters, including a review of draft agendas for upcoming meetings.
 - C. Event notices or reminders; holiday and other schedules of interest; board member, employee or other individual recognitions; and expressions of thanks, congratulations, or condolences.
6. Review the report of the Investment Management Committee on its November 19, 2015 meeting – Committee Chair.
7. Review the report of the Risk Management Committee on its November 19, 2015 meeting – Committee Chair.
8. Review the report of the Benefits Committee on its November 19, 2015 meeting and consider the following related matters – Committee Chair:
 - A. Appointments to the Retirees Advisory Committee.
 - B. The contract between TRS and Genworth Life Insurance Company, the carrier authorized by TRS to provide group long-term insurance under Chapter 1576 of the Texas Insurance Code.
9. Review the report of the Policy Committee on its November 19, 2015 meeting and consider the following related matters – Committee Chair:
 - A. Adoption of any amendments to the TRS Mission Statement.
 - B. Adoption of any amendments to the TRS Key Employee Determinations.
 - C. Adoption of proposed amendments to the following TRS rules in Title 34, Part 3 of the Texas Administrative Code:
 - i. Rule § 25.1, relating to Full-time Service;
 - ii. Rule § 25.4, relating to Substitutes;
 - iii. Rule § 25.6, relating to Part-time or Temporary Employment;

- iv. Rule § 25.26, relating to Annual Compensation Creditable for Benefit Calculation;
- v. Rule § 25.46, relating to Determination of Compensation Subject to Deposit and Credit;
- vi. Rule § 25.74, relating to Cost;
- vii. Rule § 25.85, relating to Amount of Out-of-State Service Which Can Be Purchased;
- viii. Rule § 25.121, relating to Employer Verification;
- ix. Rule § 25.131, relating to Required Service;
- x. Rule § 25.133, relating to School Year;
- xi. Rule § 25.181, relating to Minimum Monthly Payment;
- xii. Rule § 25.182, relating to Yearly Increments of Credit;
- xiii. Rule § 27.6, relating to Reinstatement of an Account;
- xiv. Rule § 29.13, relating to Changing Beneficiary for Survivor Benefits;
- xv. Rule § 29.33, relating to Absence from Service;
- xvi. Rule § 31.14, relating to One-half Time Employment;
- xvii. Rule § 31.32, relating to Half-time Employment Up to 90 Days;
- xviii. Rule § 31.34, relating to Employment Up to Three Months on a One-Time Only Trial Basis;
- xix. Rule § 43.16, relating to Notice of Hearing and Other Action;
- xx. Rule § 43.46, relating to Rehearings;
- xxi. Rule § 47.6, relating to Determination That An Order Is Not Qualified Is Final; and
- xxii. Rule § 49.3, relating to Referrals of Delinquent Obligations to Attorney General for Collection.

D. Adoption of any amendments to the TRS Board of Trustees Ethics Policy.

10. Discuss and consider personnel matters, including the appointment, employment, evaluation, compensation, performance, duties, discipline, or dismissal of the Executive Director, Chief Investment Officer, or Chief Audit Executive and the adoption of an executive incentive compensation plan for the Executive Director – David Kelly.

NOTE: *The Board meeting likely will recess after the last item above and will resume Friday morning to take up the items listed below.*

11. Provide opportunity for public comments – David Kelly.
12. Review the TRS Pension Trust Fund Actuarial Valuation as of August 31, 2015 – Joseph Newton, Gabriel, Roeder, Smith & Company.
13. Review the TRS-Care Actuarial Valuation and Other Post Employment Benefit (OPEB) reports as of August 31, 2015 and receive an overview and update on TRS-Care and TRS-ActiveCare – Joseph Newton, Amy Cohen, and William Hickman, Gabriel, Roeder, Smith & Company.
14. Review the Comprehensive Annual Financial Report for fiscal year 2015 – Jamie Pierce and Cindy Haley.
15. Review the reports of the Chief Financial Officer regarding expenditures, current financial review, and other financial matters involving TRS programs – Don Green.
16. Receive an update on the TEAM Program – David Cook and Adam Fambrough; Jay Masci, Provaliant.
17. Receive a presentation from the TEAM Program Independent Program Assessment (IPA) Vendor – Michael Johnson, Bridgepoint Consulting.
18. Review the report of the Audit Committee on its November 20, 2015 meeting – Committee Chair.
19. Review and discuss the Deputy Director's report, including matters related to administrative, financial, and staff services operations – Ken Welch.
20. Review the report of the General Counsel on pending and contemplated litigation, including updates on litigation involving benefit-program contributions, retirement benefits, health-benefit programs, and open records – Carolina de Onís.
21. Consult with the Board's attorney(s) in executive session on any item listed above on this meeting agenda as authorized by Section 551.071 of the Texas Open Meetings Act (Chapter 551 of the Texas Government Code) – David Kelly.